

## DISTRIBUTOR PRODUCT GUIDE

# Construction Select

- This guide is for intermediary reference only.
- It doesn't contain the full terms and conditions of the contract of insurance.
- You can find more information about the product within the [policy overview](#).
- Full terms and conditions are within the policy documents; you can request to have a copy of these.

### Product design

We've provided construction solutions for more than 25 years and work with industry experts, such as the Association of British Insurers (ABI) and Build UK, in addition to our global partners across the Allianz Group. We continually draw upon this experience and insight, as well as customer research to ensure our products continue to add value and meet the evolving needs of our construction customers.

Construction Select is a Commercial Lines General Insurance product designed for businesses who want protection from a range of engineering and construction risks, such as property damage or third party injury. This product enables businesses to meet certain legislative insurance requirements, such as those dictated by the Employers' Liability Act. It also helps them comply with contractual requirements, for example professional indemnity and contract works insurance often required under the construction and engineering contracts.

Our Construction Select product offers a range of optional insurance covers. The product is designed to provide value as it offers the customer the flexibility to buy a combination of covers that meets their specific needs. The policy overview provides details of the cover available.

### Target market

The target market for our Construction Select product is established UK based construction businesses with a turnover of up to £400m, including but not limited to the following construction projects:

- residential developments including all associated contracting trades working on new build, refurbishments, alterations and repairs to properties
- commercial buildings including working on new build, refurbishment, alterations and repairs and specialist contracting trades engaged with commercial projects
- civil engineering projects including, but not limited to, road surfacing, paving and driveways, ground working, footings and foundations, utilities, earthwork, site levelling and drainage.

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We're able to provide insurance solutions for a broad range of businesses and are happy to consider those that sit outside of these parameters, however this product is **not** targeted towards:

- high hazard exposures particularly where a long-tail claims profile or increased frequency for large loss potential exists, including but not limited to large tunnelling and rail projects
- asbestos removal activity
- businesses lacking in health and safety, risk protection control and risk management procedures
- non-conventional insurance options, such as customers that run their own captives or require a layered insurance program
- companies with connections or links to sanctioned individuals or countries
- retroactive covers.

This product isn't suitable for:

- a person acting for purposes outside of their trade, business or profession
- non-going concerns or the retired
- contractors with a turnover exceeding £400m
- any offshore risk or activity.

We wouldn't expect this product to provide fair value to:

- businesses where the percentage of overseas contracts exceed 50% of turnover
- businesses with very low level sums insured or exposures where we need to apply minimum premiums
- seasonal risks where annual covers are placed
- SME businesses which fall within the target market scope and cover options accommodated by our digitally traded Complete Contractor product.

### Potential conflicts

The policyholder could be conflicted if they wish to make lots of small claims, just above the excess limit, as this may impact the terms offered at subsequent renewals.

### Product value assessment

Our product value assessment is based on the premium we charge for the cover and the services we provide. We take a wide range of factors into consideration, such as historical and expected claims frequencies, incurred and projected claims costs, plus scenario analysis including likely economic and climatic trends, along with customer feedback.

We also consider how the premium is affected by the commission we pay the placing intermediary for the activities they conduct on our behalf. Any additional charges within the distribution chain may potentially erode the intended value of our product.

### Distribution strategy

Our Construction Select product has been designed for distribution by insurance intermediaries that hold commercial agency facilities with us. They must have the appropriate level of understanding about the risks and exposures faced by their customers in the operation of their business.